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ABSTRACT

The results of a survey of pension plans in 17 Ontario, Canada, universities are presented in terms of: type of plan; eligibility; member contributions; university contributions; benefits on normal retirement (age 65) and on early retirement (age 55); trustee and investment manager; and pension committee composition, responsibilities, and status. There are nine defined benefit plans, seven money purchase plans with minimum guarantees, and one money purchase plan with no guarantees, although one university has a minimum guarantee for those who were age 45 and belonged to the old plan as of July 1970. All plans are eligible to full-time academic and nonacademic staff, except those plans for full-time faculty only at two universities. Contribution rates vary widely, and in all but four plans, university contributions at least match member contributions, but must also provide the benefits accruing under the plan. In seven plans, indexing for benefits is to a maximum two percent, and the annuity or benefit is normally payable for life but guaranteed 60 months in 12 plans. Benefit provisions on termination of employment and on death before and after retirement also are outlined. An example of calculation is shown in each case of the pension provided under a defined benefit formula or a minimum guarantee formula. Descriptions of terms and abbreviations used are provided. Information is provided for the following universities: Brock University, Carleton University, University of Guelph, Lakehead University, Laurentian University, McMaster University, Ontario Institute for Studies in Education, University of Ottawa, Queen's University, Ryerson, University of Toronto, Trent University, University of Waterloo, University of Western Ontario, Wilfrid Laurier University, University of Windsor, and York University. (SW)

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UNIVERSITY BENEFITS SURVEY

Part II (Pensions)

November 1, 1981

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SURVEY SUMMARY

The following summarizes the results of this survey of pension plans in Ontario universities according to type of plan, eligibility, contributions, and benefits.

Type of Plan: There are 9 defined benefit plans, 7 money purchase plans with minimum guarantees, and 1 money purchase plan with no guarantees, although Western does have a minimum guarantee for those who were age 45 and belonged to the old plan as of 1 July 1970. Only the plans at Western is stacked, rather than integrated, with the Canada Pension Plan with regard to contributions and benefits.

Eligibility: All plans are eligible to full-time academic and non-academic staff except those plans at Western and Windsor (full-time faculty only). Western and Windsor do have separate plans for staff, however, they have not been included in this survey. In addition, Toronto offers membership to part-time staff who earn a specified salary. Participation is compulsory from date of appointment in 4 plans, from age 25 in 2 plans, from age 30 in 8 plans, from age 35 in 2 plans, and after 6 months employment in 1 plan.

Member Contributions: Contribution rates vary widely (percentage of regular earnings):

i) 2½% up to YMPE and 5% in excess - 1 plan
ii) 3% up to YMPE and 6% in excess - 1 plan
iii) 3½% up to YMPE and 5% in excess - 1 plan
iv) 4.2% up to YMPE and 6% in excess - 1 plan
v) 4½% up to YMPE and 6% in excess - 4 plans
vi) 5% less CPP - 1 plan
vii) 6% less cpp - 5 plans
viii) 6½% less CPP - 2 plans
ix) 5½% to univ. plan - 1 plan

University Contributions: In all but 4 plans, university contributions at least match member contributions, but must also provide the benefits accruing under the plan. In the remaining five plans, the university contributes 7.5% less C.P.P. (Queens) and 8.5% (Western and Laurentian) 8.4% (Carleton).

Benefits: 1) on Normal Retirement:
In all plans, normal retirement is at age 65. Of those defined benefit plans or money purchase plans with minimum guarantees, 2 plans (Brock and Ryerson) reduce university pension only back to 1 January 1966 by way of integration with the CPP. Two other plans (Carleton and Wilfred Laurier) also reduces pension by 1/35th of CPP benefit, but for all years of service to a maximum 35 years. The remaining plans provide benefits based on a percentage of the average of/or year/s maximum pensionable

earnings (YMPE) of the CPP plus a (higher) percentage on average best years' earnings in excess of the YMPE. Average best years' earnings are calculated on those 5 years of highest earnings in 10 plans, on those 60 consecutive months of highest earnings in 4 plans, on those 5 years of highest earnings in the last 10 years in 2 plans, and on those 5 years of highest earning since July 1, 1960 in 1 plan.

Indexing: In 7 plans, indexing is to a maximum 2%, in 1 plan (Laurentian) to a maximum 3%, in 1 plan (Waterloo) from a minimum 5%, in 2 plans based on what fund could afford, 3 plans have no indexing or no formal policy, 2 plans provide Ad Hoc adjustments, and 1 plan (Ryerson) has a special fund.

Standard Options: The Annuity or benefit is normally payable for life but guaranteed 60 months in any event in 12 plans, payable for life but guaranteed 120 months in 1 plan, and payable for life only in 3 plans. Other options are available in all plans.

2) on Early Retirement:
In all plans, early retirement may begin at age 55. In all plans with minimum guarantees and in all defined benefit plans, the amount of benefits is based on service and earnings to early retirement regardless of when benefits commence. The member normally has a choice of a deferred benefit or annuity beginning at normal retirement or a reduced benefit beginning at early retirement.

3) on Termination:
In all plans, member has choice of (i) deferred benefit payable at normal retirement, (ii) transfer of money purchase fund (in money purchase plans) or twice member's contributions plus interest (in defined benefit plans) to the registered pension fund of a new employer or to an RRSP, or (iii) refund of member contributions plus interest. The choice of options is governed in part by Ontario pension laws. Option (iii) is only available in 1 plan (Western), if fund is 5000 or less, and the refund is twice the member contributions plus interest in another plan (Trent).

4) on Death:
Before retirement: In 14 plans, the beneficiary receives either all member and university contributions plus interest or only member's contributions plus interest as an annuity, in instalments, or as a lump sum. In 2 plans, there is a benefit paid to the spouse (usually 50% of member's pension) or, if no spouse, the beneficiary receives member's contributions plus interest.

After retirement: In all plans, benefit entitlement to the beneficiary is determined by the guaranteed period of benefit payments.

Model Pension Calculation:

An example of calculation is shown in each case of the pension provided under a defined benefit formula or a minimum guarantee formula. The average best year's earnings (ABYE) was taken as being $30,000 regardless of the time period over which it was calculated. The example assumes normal retirement at age 65 with 35 years of service. Annual pensions from the formulae range from 13,820.80 at York to 19,405.05 at Ryerson. These pensions are in addition to Canada Pension Plan and Old Age Security benefits.

DESCRIPTION OF TERMS AND ABBREVIATIONS USED

1) Pension Plans:

Money Purchase: employee and employer both contribute a fixed percentage of salary to a fund which is expected to grow through investment. At retirement, this fund is used to purchase an annuity which will provide the annual pension benefits to the employee. There are no specific provisions made for dealing with inflation but these plans are usually fully portable.

Money Purchase with Minimum Guarantee: employee and employer both contribute specified amounts as in the money purchase plan but, in addition, the employer guarantees a minimum pension via a formula such as in the defined benefit plans. At retirement, the employee chooses between the benefits provided by the money purchase and the minimum guarantee. The minimum guarantee component of most plans is indexed to a maximum 2-3% as a means of offsetting inflation. The money purchase component is usually fully portable.

Defined Benefit: employee contributions are a fixed percentage of salary but employer contributions very according to actuarial projections of the pension fund. At retirement, the employee receives an annual benefit based on the product of a specified percentage time years of credited service times a specified average salary (usually the average of the best five years' yearings). Most plans are indexed to a maximum 2-3% and are certainly less than fully portable.

2) Pension Benefits:

Variable Annuity: an annuity which remains constant during any specified pension year but varies from year-to-year depending on the investment performance during the preceding year of that portion of the pension fund relating to retired members.

Fixed Annuity: an annuity which remains constant both during any one year and from year-to-year.

Life Only: benefit which is payable until death at which time payments cease.

Life Guaranteed 60 Months: a pension benefit which is payable for life but guaranteed 60 months in any event. The benefits may also be guaranteed for 120 or 180 months but the monthly pension payments are usually reduced accordingly.

Joint and Last Survivorship: a pension benefit which is payable for the member's lifetime then continues to his/her beneficiary for the remainder of that person's lifetime. The monthly pension payments are usually somewhat less than those of the life only or life guaranteed benefits.

3) Abbreviations:

ABYE: Average Best Years' Earnings found by calculating the average salary over the best five years' earnings, or over the best five of the last ten years' earnings, or over the best five consecutive years' earnings.

YMPE: Year's Maximum Pensionable Earnings as established each year by the Canada Pension Plan (CPP). For 1981, the YMPE is 14,700.

Avg YMPE: Average YMPE calculated as an average of the YMPE values for those same years used to calculate the ABYE.

EX: The excess of ABYE over YMPE or avg YMPE.

YS: Years of credited service.

CPP Benefit: Annual retirement benefits equal the product of 12 times a basic monthly amount found by taking 25% of the average monthly pensionable earnings'. For a member who earned at least the amount of the YMPE for each year contributions were made to the CPP, the CPP benefit for a member retiring in 1981 would be 3,291.72.

4) Fund Performance:

Rates of return on investment for different pension plans should not be directly compared since methods of calculating rates of return are many and varied. Unless the method is known, fund performance values of different plans cannot be meaningfully compared.

5) Model Pension Calculations:

In calculating the minimum guaranteed annual pension of the annual pension provided by the defined benefit formula, the following assumptions were used:

i) ABYE = $30,000
ii) YS = 35 years
iii) YMPE = $14,700

BROCK UNIVERSITY

Type of Plan: money purchase with minimum guarantee

Eligibility: all full-time academic and non-academic staff; optional to age 30 and then compulsory

Member Contributions: 6% of regular earnings less CPP contribution

University Contributions: amount necessary to provide the retirement benefits accruing to members; as of July 1, 1981, 126% of member contributions

Benefits:

1) **on Normal Retirement:** (age 65) a variety annuity purchased by the (age 65) vested amount in the money purchase fund at retirement subject to the minimum guarantee;
(1.7% x ABYE x YS) - (CPP benefit x 1/35 x YS after 01.01.66).
ABYE calculated over those five years of highest earnings.

Indexing: maximum 2% per annum cumulative (applicable to the minimum guarantee only)

Standard Options: the annuity is normally a life annuity guaranteed 60 months but may optionally be:
i) life only
ii) life guaranteed 120 months
iii) joint and last survivorship
other options are available

2) **on Early Retirement:** (age 55) member's choice of either a deferred variable annuity, commencing at normal retirement, or a variable life annuity, commencing at early retirement, both subject to the minimum guarantee. Benefits paid early are actuarially reduced.

3) **on Termination:** member's option of (subject to pension laws):
i) a deferred annuity payable at normal retirement
ii) transfer of money purchase account to registered pension fund of new employer or rrsp.
iii) refund of member contributions and interest

4) **on Death:**
Before retirement: beneficiary has option of:
i) payment of member's money purchase account and interest to beneficiary, or
ii) if beneficiary is spouse or dependent children, a pension to be the greater of 50% of member's accrued pension or 10% of average best five years' earnings can be opted for.

After retirement:	benefit entitlement to beneficiary as determined by the option elected.
Model Pension Calculation:	minimum annual guaranteed pension: (1.7% x $30,000 x 35) - ($3,292 x 1/35 x 15.5) = $17,850 - $1,457.89 = $16,392.11
Trustee:	Canada Trust
Investment Manager:	Canada Trust
Pension Committee:	
Composition:	the Comptroller and Director of Personnel Services as ex-officio and five members appointed by the Board of Trustees, four of whom shall be members of the pension plan.
Responsibilities:	to provide an ongoing review of the design of the pension plan and to review the investment performance of the trust fund.
Status:	
Unfunded liability:	N/A
Fund performance:	rate of return on investments based on market value: 1980-81 - 13.5% 1976-77 - 10.8% 1979-80 - 11.8% 1975-76 - 6.1% 1978-79 - 17.3% 1974-75 - 9.7% 1977-78 - 7.6%
Actuarial assumptions in the fund projection	- Interest 7% - Salary Scale 6½% - C.P.P. Scale 12½% to 1980 and 5% thereafter
Experience deficiency:	N/A
Reciprocal agreements:	Reciprocal agreements exist with the Public Service Superannuation, Teachers' Superannuation, and the Government Pensions Board of Alberta.

CARLETON UNIVERSITY

Type of Plan: money purchase with minimum guarantee

Eligibility: all full-time academic and non-academic staff; eligible but not compulsory until age 30

Member Contributions: 6% of regular earnings less CPP contributions

University Contributions: at least 8.4% of member's regular earnings less C.P.P. contribution (currently 8.4%).

Benefits:

1) **on Normal Retirement:** (age 65) a variable annuity purchased by the vested amount the money purchase fund at retirement subject to the minimum guarantee:
(1.75% x ABYE x YS) - (CPP benefit x 1/35 x YS to maximum 35 years).
ABYE is calculated over those five years of highest earnings.

Indexing: maximum 2% per annum

Standard Options: the annuity is normally payable for life only but may optionally be:
- i) life guaranteed 60 months or 120 months or 180 months
- ii) joint and last survivorship
- iii) combination of above

2) **on Early Retirement:** member's choice of a deferred variable life annuity commencing at normal retirement or an actuarially reduced annuity commencing at early retirement. The minimum guarantee is actuarially reduced approximately 6% for each year early retirement precedes normal retirement.

3) **on Termination:** member's option of (subject to pension laws):
- i) deferred annuity
- ii) transfer of money purchase account to registered pension fund of new employer or to a locked rrsp
- iii) refund of member contributions plus interest to date or refund
- iv) early retirement pension

4) **on Death:**

Before retirement: beneficiary has option of receiving member's money purchase account as a lump sum, or if spouse, as a variable life annuity.

After retirement: benefit entitlement to beneficiary as determined by guaranteed period of annuity payments

Model Pension Calculation:	minimum guaranteed annual pension: (1.75% x $30,000 x 35) - ($3,292 x 1/35 x 35) = $18,375 - $3,292.00 = $15,083.00
Trustee:	Royal Trust
Investment Manager:	Toronto Investment Management, Inc.
Pension Committee: Composition:	currently two faculty members, appointed by faculty association, two non-academic staff members, and two administration members, ex-officio. Provisions of the faculty collective agreement provide for a review committee, composed of two faculty and two administration members, to study the existing plan, as far as the faculty is concerned.
Responsibility:	oversees internal application of all pension matters and advises and recommends changes. Review committee is empowered to study the relative merit and viability of the existing plan.
Status:	
Unfunded liability:	Nil
Fund performance:	rates of return on investments made by the fund: 1973-74 = -3.23% 1974-75 = 9.70% 1975-76 = 9.63% 1976-77 = 9.77% 1977-78 = 10.84% 1978-79 = 21.07% 1979-80 - 14.16% 1980-81 = 8.65%
Unfunded Liability:	NONE
Experience Deficiency:	NONE
Actuarial Evaluation Date:	Last actuarial evaluation - July 1, 1979
Actuarial assumptions in the fund projection:	given the current rate of employee/employer contributions, assumptions made by the actuary in projecting the fund's solvency are: rate of salary increase = 5% real rate of return on investments after inflation = 6% increase in cost of variable annuities - 6%.
Indexing (actual):	2% per annum
Portability:	money purchase component is transferable to another registered pension fund but the minimum guaranteed is effective sacrificed in the sense that a number of years of service would probably be lost in the transfer.

Anticipated changes:

Pension Committee will recommend following changes to plan members.

i) Guarantees that (a) pensions will never decrease following retirement and (b) pensions will increase annually by (Annual Fund Investment performance less 6%)

ii) Minimum guarantee formula will change to (2% of of final average earnings - best six years - x years of service) - (CPP benefit x years of service to maximum 35 years)

iii) less severe actuarial reduction on early retirement.

These changes if implemented will not require additional contributions from members or university.

Reciprocal Agreements:

A reciprocal agreement has now been completed with the Ontario Public Service Superannuation Branch. Negotiations are underway with the Federal Government, several Ontario Universities, and the Alberta Public Service.

UNIVERSITY OF GUELPH

Type of Plan:	defined benefit
Eligibility:	all full-time academic and non-academic staff except those under age 21 or over age 64; optional to age 30.
Member Contributions:	6% of regular earnings less CPP contributions
University Contributions:	amount necessary to provide the retirement benefits accruing to members.
Benefits:	
1) on Normal Retirement: (age 65)	the annual pension provided by the formula: [(1.05% x avg YMPE) + (1.5% x EX)] x YS before age 45 + [(1.4% x avg YMPE) + (2.0% x EX)] x YS after age 45. ABYE, used in finding EX, is calculated over the best 60 consecutive months of earnings (avg YMPE = moving 60 month average of YMPE)
Indexing:	no formal policy
Standard Options:	the benefit is normally payable for life, but guaranteed 60 months in any event, although the following options are available: i) life guaranteed 120 or 180 months ii) joint and last survivorship
2) on Early Retirement: (age 65)	the annual pension as provided by the formula but based on service and earnings to early retirement and reduced 0.5% for each month early retirement precedes normal retirement
3) on Termination:	member's option of (subject to pension laws): i) a deferred pension payable at normal retirement based on service and earnings to resignation ii) transfer of twice member's contribution plus interest to registered fund of new employer or to an approved RRSP iii) refund of member contributions and interest
4) on Death:	
Before retirement:	beneficiary has option of receiving member's contributions plus interest, as a lump sum, as life annuity, or in instalment payments
After retirement:	benefit entitlement to beneficiary as determined by guaranteed period of pension payments
Model Pension Calculation:	Based on an average salary of $30,000 with 35 years of service as of July 1, 1981

1.05%	x 11,200 C.P.P. Average Base	x 15 years	=	$1,764.00
+ 1.5%	x 18,800	x 15 years	=	$4,230.00
+ 1.4%	x 11,200	x 20 years	=	$3,136.00
+ 2.0%	x 18,800	x 20 years	=	$7,520.00
				$16,650.00

Trustee: National Trust and Canada Trust

Investment Manager: not applicable

Pension Committee: Composition: one faculty member and six administration members, appointed by Board of Governors

Responsibility: responsible for the administration and interpretation of the pension plan whereas control over investment policy is held solely by the Board of Governors.

Status:

Unfunded liability: NIL

Fund performance: 4 year moving average 1980 - 14.5
1979 - 15.6
1978 - 15.2
1977 - 9.0

Actuarial Evaluation Date: evaluated annually, last one September 30, 1980

Reciprocal Agreements: public service - federal and provincial Ontario Secondary School Teachers, Province of Alberta

Actuarial assumptions in the fund projection:
6% investment income
5% salary increases

Indexing (actual): on 1 January 1974, 2% for each year member had been on pension to that date, and on 1 January 1976, 15% to each member on pension, for the period 1 January 1974 to 31 December 1975, and on September 1, 1979 2%, for each year from January 1, 1976, on September 1, 1980 3% per annum, and September 1, 1981 5% per annum.

Portability: pension credits, that is, both member and university contributions plus interest, are transferable to another registered pension fund but a number of years of service, used to calculate the defined benefit, would probably be lost in the transfer.

Anticipated changes: none at present.

LAKEHEAD UNIVERSITY

Type of Plan: defined benefit

Eligibility: all full-time academic and senior support staff; compulsory from date of appointment

Member Contributions: 6½% of regular earnings less CPP contributions

University Contributions: at least an amount equal to the member's required contributions

Benefits:

1) **on Normal Retirement:** (age 65) the annual pension provided by the formula:
[(1.2% x avg YMPE) + (1.75% x EX)] x YS.
ABYE, used in finding EX, is calculated over those 60 consecutive months of highest earnings.

Indexing: maximum 2% per annum

Standard Options: the benefit is normally payable for life, but guaranteed 120 months in any event (with provisions for spouse and dependents pension benefits), although the following options are available:
i) life only
ii) joint and last survivorship

2) **on Early Retirement:** (age 55) the annual pension as provided by the formula but based on service and earnings to early retirement and reduced 0.5% for each month early retirement precedes normal retirement

3) **on Termination:** member's option of (subject to pension laws):
i) a deferred pension payable at normal retirement based on service and earnings to resignation
ii) transfer of member's contributions plus a vested portion of university contributions to registered pension fund of new employer or RRSP (subject to certain conditions)
iii) refund of member contributions and interest

4) **on Death:**

Before retirement: beneficiary has option of receiving member's contributions plus interest, as a lump sum or in installment payments

After retirement: benefit entitlement to beneficiary as determined by guaranteed period of pension payments

Model Pension Contribution: annual pension provided by the formula:
assuming: avg YMPE - $10,560 over last 5 years
= (1.2% x 10,560) + (1.75% x 19,440) x 35 years
= (126.72 + 340.20) x 35 years
= 16,342.20 p.a.

Trustee:	Royal Trust
Investment Manager:	Sceptre Investment Counsel Ltd.
Pension Committee: Composition:	one member from the Board of Governors, two faculty members chosen by Faculty Association, Director of Personnel, Chief Business Officer, Vice-President (Finance).
Responsibility:	to advise Vice President (Finance) on the investment mix and to make recommendations as to possible changes in the plan.
Status:	
Unfunded Liability:	NIL
Fund Performance:	total fund annual results (at market) 1973-74 = - 2.3% 1974-75 = 11.4% 1975-76 = 9.4% 1976-77 = 9.7% 1977-78 = 12.1% 1978-79 = 20.2% 1979-80 = 15.5%
Actuarial Evaluation Date	December 31, 1980
Actuarial assumptions in the fund projection:	rate of salary increase 4% compound per annum; fund yield 5 3/4% compound per annum; 1971 Group Annuity Table used to represent the mortality of members both before and after retirement, set-back 1 year for males and 7 years for females; the YMPE to increase at 12½% per annum for 4 years, and at 3% thereafter.
Indexing:	plan provides for indexing to C.P.I. of 2% per annum. Adjustments above this are done on an ad hoc basis depending on the ability of the plan to absorb increases and the priorities that exist at any given time.
Portability:	transfer provisions provide for the transfer of pension contributions (vested on a 5 year schedule) to the pension plan of a subsequent employer, or to an R.R.S.P. with restrictions. Alternatively, an employee may elect to receive a cash refund of his contributions plus credited interest to date of termination, with restrictions.
Anticipated changes:	none at present
Reciprocal Agreements:	Federal Government Province of New Brunswick

LAURENTIAN UNIVERSITY/UNIVERSITE LAURENTIENNE

Type of Plan: money purchase plan with minimum guarantee

Eligibility: all full-time academic and non-academic staff except those under age 25 must have 12 months' service; compulsory at age 30

Member Contributions: 5% of plan earnings less CPP contributions

University Contributions: 7% of member's plan earnings less their contributions to the CPP plus a minimum guarantee contribution, which at this time, is 1½% of the members' plan earnings.

Benefits:

1) **on Normal Retirement:** (age 65) an annuity purchased by the vested amount in the money purchase fund at retirement subject to the minimum guarantee: [(1.05% x YMPE) + (1.75% x EX)] x (YS after 30.06.75)] + [(.75 of 1% x YMPE) + (1.75% x EX)] x [(YS between 01.07.66 and 30.06.75)] + [(1.5% x ABYE x YS before 01.07.66)]. ABYE, also used in finding EX, is calculated over those five years of highest earnings.

Indexing: once a year after they have started at the lesser of 3% per year or the rate at which the Consumer Price Index is increasing

Standard Options: the form of annuity is usually chosen by the member from amongst the following options:
i) life guaranteed 60, 120 or 180 months
ii) joint and last survivorship

2) **on Early Retirement:** (age 55) the annuity and, subsequently, the minimum guarantee are actuarially reduced

3) **on Termination:** member's option of (subject to pension laws):
i) a deferred annuity payable at retirement
ii) transfer of money purchase account to registered pension fund of new employer or to an R.R.S.P.
iii) refund of member's contributions and interest if member is less than age 30 or has not contributed to plan for at least 13 months

4) **on Death:**
Before retirement:
a) refund of the total amount of his Money Purchase Account including the University's contributions.

b) if a married person who joined the plan before July 1, 1975 dies in service before normal retirement date but after completing at least five years of membership of the plan and prior plan, a pension equal to one-half of the accrued pension of the member at the date of his death shall be payable to his widow until her death and thereafter in equal shares to such surviving children as shall be under age 18 at the date of payment of the benefit.

After retirement: benefit entitlement to beneficiary as determined by guaranteed period of annuity payments

Model Pension Calculation: minimum guaranteed annual pension

(Sept/62-June/66) (1.5% x 30,000 x 4)
(July/66-June/75) + (0.75% x 14,700) + (1.75% x 15,300) x 9
(July/75-June/97) + (1.05% x 14,700) + (1.75% x 15,300) x 22
$1,800.00 + $3,402.00 + $9,286.20
= $14,488.20

Trustee: Montreal Trust

Investment Manager: Lindsay McKelvey

Pension Committee:

Composition: 3 members of the plan appointed by the Laurentian University Faculty Association; 2 members of the plan appointed from other employee groups; 3 members appointed by the Finance Committee of the Board of Governors.

Responsibility: to recommend changes to plan

Status:

Unfunded Liability: as of July 1, 1978 - $357,947.00

Experience Deficiency: NIL

Actuarial Evaluation Date: July 1, 1981

Actuarial assumptions

- salary 4% + seniority
- rate of return 6%, rate of increase in YMPE 12½% until 1980 and 4% thereafter - rate of mortality before retirement as in 1971 Group Annuity Mortality Tables.
- rate of mortality for retired members - Progressive Annuity Table

Indexing: once yearly at the lessor of 3% or the rate at which the C.P.I. is increasing

Portability:	transfer to another employer or R.R.S.P.
Anticipated Changes:	NIL
Reciprocal Agreement:	Teacher's Superannuation Commission

MCMASTER UNIVERSITY

Type of Plan:	defined benefit
Eligibility:	all full-time and regular part-time academic and non-academic staff; compulsory on July 1 following 6 months employment
Member Contributions:	3.5% of regular earnings up to YMPE and 5% of regular earnings in excess of YMPE
University Contributions:	at least an amount equal to the member's required contributions, currently 218% of aggregate member contributions
Benefits:	
1) on Normal Retirement: (age 65)	the annual pension provided by the formula: [(1.05% x YMPE) + (1.5% x EX)] x YS before age 45 + [(1.4% x YMPE) + (2.0% x EX)] x YS after age 45. EX = ABYE - YMPE where ABYE is calculated over those five years of highest earnings.
Indexing:	no formal indexing scheme
Standard Options:	the benefit is normally payable for life, and thereafter in the amount of 50% to surviving joint annuitant - options: guaranteed 5 years; guaranteed 10 years; 66 2/3% joint survivor
2) on Early Retirement: (age 55)	the annual pension as provided by the formula but based on service and earnings to early retirement and actuarially reduced
3) on Termination:	member's option of (subject to pension laws): i) a deferred pension payable at normal retirement ii) transfer of twice member's contributions, plus interest, to registered pension fund of new employer, R.R.S.P. (locked-in) iii) refund of member contributions and interest
4) on Death:	
Before retirement:	beneficiary receives member's contributions plus interest as a lump sum
After retirement:	i) married: spouse receives 50% of member's pension until death or remarriage ii) not married: beneficiary receives remainder, if any, of guaranteed 60 monthly payments
Model Pension Calculation:	Based on best 5 year average salary of $30,000 with 35 years service immediately prior to retirement at age 65.

For service to age 45:

1.05% x 14,700 x 15:	$2,315.25
+ 1.5% x (30,000 - 14,700) x 15 =	$3,442.50
	$5,757.75

Plus: For service from age 45:

1.4% x 14,700 x 20:	$4,116.00
+ 2.0% x (30,000 - 14,700) x 20:	$6,120.00
	$10,236.00

Total Pension Payable $15,993.75

Trustee: Canada Trust

Investment Managers: North American Life, Eliot Page

Pension Committee: two faculty members, two support staff members, two administrative members and two members represent the Finance Committee of the Board of Governors. All appointments are made by the President. In the case of faculty and staff members, respective associations recommend individuals to the President.

Responsibility: advisory only to the financial committee of the Board of Governors

Status:

Unfunded Liability: NIL

Experience Deficiency: NIL

Fund Performance: rate of return on investments made by the fund:

based on book value: (including realized gains or losses)

1970-71 = 6.1 %	1971-72 = 7.4 %
1972-73 = 7.01%	1973-74 = 7.5 %
1974-75 = 7.4 %	1975-76 = 6.5 %
1976-77 = 7.39%	1977-78 = 6.6 %
1978-79 = 8.87%	1979-80 = 12.58%
1980-81 = 13.97%	

Actuarial Evaluation Date: obtained annually on July 1
filed triennially (last filing July 1, 1980)

Reciprocal Agreements: Federal Government
Province of Ontario
Secondary School Teachers Federation
Province of Alberta

Actuarial assumptions in the fund projection: rate of salary increase = 5%
rate of return on investments = 6% pre-retirement
4.5% post-retirement

Indexing (actual): Maximum increase each July equal to the annual rate of increase in the C.P.I. or the excess of interest earnings on the fixed income portion of fund over the actuarially assumed rate of return; whichever is less.

Actual Increases	
1977 - 5.8%	1980 - 5.6%
1978 - 5.9%	1981 - 6.4%
1979 - 4.7%	

Portability: maximum amount transferable equal twice members' contributions plus interest (locked-in).

Anticipated Changes: None.

ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

Type of Plan: defined benefit

Eligibility: for all full-time and part-time faculty, professional and general support staff and full-time academic support - compulsory after age 25. For part-time academic support - one time option on hiring.

Contributions: 6% of regular earnings less CPP contributions

OISE Contributions: amount recommended by actuarial report.

Benefits:

1) **on Normal Retirement:** Annual Pension provided by the formula: 1.5% of best average earnings up to CPP earnings ceiling at date of retirement, plus 2% of best average earnings over CPP ceiling multiplied by years of plan membership to a maximum of 35 years.

Indexing: N/A

Standard Options: benefit normally payable for life but guaranteed for 60 months with other available options:
a) reduced pension guaranteed for 120 months
b) life only
c) joint and last survivorship

2) **on Early Retirement:** (age 55-65) the average pension as provided by the formula but based on service and earnings to early retirement and reduced by approximately 5% for each year you retire early.

3) **on Termination:** member's option of (subject to pension laws):
i) deferred annuity payable at normal retirement based on service and earnings to resignation.
ii) 25% of surrender value of such deferred annuity in cash.
iii) transfer of member contributions plus a vested portion of employer contributions to RRSP or to a registered fund of new employer (subject to certain conditions).
iv) refund of member contributions and interest.

4) **on Death:**
Before retirement: contributions with interest (or commuted value value of pension earned if greater) are payable to beneficiary in a single lump sum payment.

After retirement: benefit entitlement to beneficiary as determined by guaranteed period of pension payments.

Model Pension Calculation:	annual pension provided by the formula: assuming best average earnings are $30,000 with 35 years pensionable service and CPP ceiling is set at $14,700. = 1.5 x 14,700 x 35 years = $ 7,717.50 2% x 15,300 x 35 years = $10,710.00 Yearly income from plan = $18,427.50
Trustee:	N/A
Investment Manager:	Standard Life
Pension Committee:	
Composition:	Representatives from Board of Governors and Staff Associations.
Responsibilities:	to review the plan and recommend changes.
Status:	
Unfunded liability:	Nil
Experience Deficiency:	Nil
Fund Performance:	rate of return last 5 years. 1975-76 = 13.06% 1976-77 = 9.37% 1977-78 = 17.29% 1978-79 = 24.97% 1979-80 = 22.35%
Actuarial Evaluation Date:	December 31, 1980.
Actuarial assumptions in the fund projection:	rate of salary increase 5% compounded per annum; fund yield 6%; 1971 group annuity table used to represent the mortality of members both before and after retirement; the YMPE to increase at 12½% per annum until 1983, and at 4% thereafter.
Indexing:	N/A
Portability:	N/A
Reciprocal agreements:	Ontario Public Service Superannuation Board.

UNIVERSITE D'OTTAWA/UNIVERSITY OF OTTAWA

Type of Plan:	defined benefit
Eligibility:	all full-time academic and non-academic staff; compulsory at age 30
Member Contributions:	4.5% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE
University Contributions:	an amount necessary to provide all of the benefits accruing to members; as of May 31, 1976, 8.83% of member's regular salary
Benefits:	
1) on Normal Retirement: (age 65)	the annual pension provided by the formula: (1.5% x ABYE x YS before 01.09.63) + (1.3% x YMPE) + (2.0% x EX) x YS after 01.09.63. ABYE calculated over those five years of highest earnings.
Indexing:	maximum 2% per annum
Standard Options:	the benefit is normally payable for life, but guaranteed 60 months in any event, although the following options are available. i) life only ii) life guaranteed 120 or 180 months
2) on Early Retirement:	the annual pension as provided by the formula but based on service and earnings to early retirement and actuarially reduced.
3) on Termination:	member's option of (subject to pension laws): i) a deferred pension payable at normal retirement based on service and earnings to resignation ii) transfer of twice member's contributions, plus interest, to registered pension fund of new employer or to an RRSP iii) refund of member contributions and interest if under age 40 and a member of the plan for less than five years.
4) on Death:	
Before retirement:	beneficiary receives twice member's required contributions plus interest as a lump sum
After retirement:	spouse or dependents guaranteed member's full pension up to 60 months from retirement and 50% of member's pension after the 60 month period. If no spouse, benefits to beneficiary are determined by guaranteed period of payments

Model Pension Calculation: based on an average salary of $30,000

Data

a) Participation: 35 years (01.07.46 to 30.06.81)
b) Average salary: $30,000
c) Y.M.P.E. (1981): $14,700

Calculation

service prior to September 1, 1963
$30,000 x 1.5% x $\frac{6267}{365}$ $ 7,726.44

service from September 1, 1963
$14,700 x 1.3% x $\frac{6508}{365}$ $ 3,407.34

$15,300 x 2% x $\frac{6508}{365}$ $ 5,456.02

$16,589.80

Trustee: Royal Trust

Investment Manager: Royal Trust

Pension Committee: Composition: The Committee includes the following members: a) two members of the Board of Governors appointed by the Board; b) a member appointed by the Board of Governors to serve as Chairman of the Committee; c) the Director of Personnel Services; d) two members of the Pension Plan appointed by the Association of Professor of the University of Ottawa; e) two members of the Pension Plan and of the teaching staff other than the above-mentioned, appointed by the Senate; f) four members of the Pension Plan and of the support staff; f) four members of the Pension Plan and of the support staff:

- one person appointed from nominations received from the committee representing management and professional employees;
- one person appointed from nominations received from the committee representing clerks and secretaries;
- one person appointed from nominations received from the committee representing technicians;
- one person appointed from nominations received from the Library employees.

Responsibility: advise, change by-law recommend large plan

Status:

Unfunded Liability:	N/A
Experience Deficiency:	N/A
Actuarial Evaluation Date:	January 1, 1980
Actuarial assumptions in the Fund projection:	based on 5% salary increases and with a 6% return investment on the fund.
Indexing:	increase up to a maximum of 2% per annum.
Portability:	amount required by the recipient paln or twice the member's required contributions, whichever is less.
Anticipated changes:	possible changes in Early Retirement Benefit
Reciprocal Agreements:	Federal Government, Ontario Teacher's Superannuation Commission Central Mortgage and Housing Corporation, Government of Quebec, University of Montreal, University of Quebec, Laval University.

QUEEN'S UNIVERSITY

Type of Plan:	money with a minimum guarantee
Eligibility:	all full-time academic and support staff compulsory at age 30
Member Contributions:	4.5% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE
University Contributions:	7.5% of member's regular earnings less CPP contribution
Benefits:	
1) on Normal Retirement: (age 65)	A single pension to be established at retirement equal to the greater of the Money Purchase balance at retirement and the Minimum Guarantee. This pension to be adjusted each year by the 4 year moving average fund earnings. Pensions in payment will never be reduced regardless of performance. At the time of retirement the Money Purchase component is converted into pension using the same factor for men and women. The conversion factor is to be adjusted from time to time so not to impose any additional cost to the plan.
Standard Options:	the annuity is normally a life only annuity but may optionally be: i) life guaranteed 60 or 120 months or 180 months ii) joint and last survivorship
2) on Early Retirement: (age 55)	Member's choice of either a deferred annuity commencing at any time up to normal retirement, or an annuity commencing at early retirement. Annuity to be established using the method described under Normal Retirement. Benefits paid early are reduced by 1/2 of 1% for each month the retiree precedes the normal retirement.
3) on Termination:	member's option of (subject to pension laws): i) deferred pension payable at normal retirement ii) transfer of money purchase account to registered pension fund of new employer or R.R.S.P. iii) refund of member's contributions and interest
4) on Death: Before retirement:	i) no spouse: payment of twice member's required contributions plus interest to beneficiary ii) surviving spouse has option of: a) lump sum payment as above b) variable annuity purchased by this lump sum c) fixed annuity purchased by this lump sum

After retirement:	benefit entitlement to beneficiary as determined by guaranteed period of annuity payments
Model Pension Calculation:	money purchase pension likely in excess but minimum guaranteed annual pension: (1.30% x $9,300) + (1.75% x $20,700) x 35 (120.90 _ 362.25) x 35 = $16,910.25
Trustee:	Canada Trust
Investment Manager:	S. Jarislowsky
Pension Committee: Composition:	two faculty members and two support staff members appointments by Principal and two members representing the administration (V.P. Resources and Director of Personnel) and two members from Board of Trustees.
Responsibility:	responsible for investment policy decisions (e.g., proportion of fund investment in equities) and selection of investment manager and plan policy.
Status: Unfunded Liability:	NIL
Fund performance:	rates of return on investments made by the fund. 1970-71 = 12.33% 1971-72 = 14.57% 1972-73 = 0.06% 1973-74 = 15.94% 1974-75 = 17.60% 1975-76 = 8.6% 1976-77 = 10.7% 1977-78 = 17.6% 1978-79 = 16.7% 1979-80 = 14.6%
Actuarial Evaluation Date:	August 31, 1981
Reciprocal Agreements:	Reciprocal Agreements with Public Service and Provincial Government.
Actuarial Assumptions in the fund projection:	given the current rate of employee/employer contributions, assumptions made by the actuary in projecting the fund's solvency are: rate of salary increase = 2.5%, real rate of return on investments after inflation = 3%, rate of mortality as in the annuity tables for 1949.
Indexing (actual):	Based on fund performance.
Portability:	money purchase component is transferable to another registered pension fund or to R.R.S.P. but the minimum guarantee is effectively sacrificed in the sense that a number of years of service would probably be lost in the transfer.

RYERSON

Type of Plan: defined benefit

Eligibility: Compulsory for full-time faculty (other than those contributing to T.S.F.) and administrative and academic support staff on date of appointment.

Member Contribution: 6% of salary in total to both Ryerson Plan and C.P.P. (+1% to superannuation adjustment benefit plan (S.A.B.A.) from 1/8/77).

Employer Contribution: 6% of salary in total to both Ryerson Plan and C.P.P. (+1% to S.A.B.A. from 1/8/77).

Benefits:

1) **On Normal Retirement:** (age 65) the annual pension provided by the formula. YS x 2% x average salary for best consecutive 60 months, less .7% of Y.M.P.E. x YS since January 1, 1966.

Indexing: from 1/8/77 all employees covered by S.A.B.A. Those who retired before 11/12/75 receive adjustable pension supplement.

Standard Options: pension benefit payable for life.

2) **on Early Retirement:** (age 55) members who have attained the age of 60 and have credited service of twenty or more year or have credit in the fund for a number of years and months of service that when added to his/her exact attained age, on the date he/she ceased to be employed, totals at least ninety years is entitled to a pension, without any age reduction factor upon his/her retirement.

3) **on Termination:** reciprocal agreement with Teacher's Superannuation, Province of Ontario, Federal Government, Hospitals of Ontario Pension Plan and Hospital for Sick Children Pension Plan and Community colleges.

4) **on Death:**

Before Retirement: if death occurs in first 10 years of employment 2 x employee contribution plus interest goes to beneficiary. If more than 10 years of employment, pension equal to ½ accrued pension payable to spouse and/or children under 21.

After Retirement: 50% of the member's pension is paid to the widow until death or remarriage and in any event until the youngest child reaches age 21.

Model Pension Calculation:

assume average salary for best 60 consecutive months is $30,000 with 35 years credited service.

(2% x 30,000) x 35 = $21,000.00

less $15.5 \times \frac{0.7}{100} \times 14{,}700 = \$1594.95$

= $21,000 - $1594.95

= $19,405.05

UNIVERSITY OF TORONTO

Type of Plan: defined benefit with minimum pension guarantee

Eligibility: all full-time academic and non-academic staff and part-time staff with an annual salary of at least 40% of the YMPE; compulsory for full-time staff at age 35.

Member Contributions: full-time staff: 2½% of regular earnings up to YMPE and 5% of regular earnings in excess of YMPE; part-time staff: 5% of annual earnings.

University Contributions: at least an amount equal to the member's required contributions; currently approximately 199% of member contributions.

Benefits:

1) **On Normal Retirement:** (age 65) the annual pension provided by the formula: ((0.75% x avgYMPE) + (1.5% x EX)) x YS before age 40 + ((1.0% x avgYMPE) + (2.0% x EX)) x YS after age 40 subject to the minimum pension guarantee of 40% of member's total required contributions. ABYE, used in finding EX, is calculated over those 60 months of highest earnings. Part-time staff earn, each year, a pension credit equal to 2% of the earnings on which contributions were made in that year.

Indexing: inflation allowances are paid on an ad hoc basis

Standard Options: the benefit is normally payable for life but guarantee 60 months in any event, but may optionally be guaranteed 120 months to single members only

2) **On Early Retirement:** (age 55) members who have at least 5 years of participation in the plan will receive a benefit based on service and earnings to early retirement and reduced 5% for each year early retirement precedes normal retirement.

3) **On Termination:** member's option of (subject to pension laws):
i) a deferred pension payable at normal retirement based on service and earnings to resignation
ii) transfer of twice member's contributions plus interest to registered pension fund or to an RRSP
iii) refund of member contributions and interest

4) **On Death:**
Before retirement: All Staff: Return of member's contributions, plus 4% compound interest to date of death is paid to the beneficiary.

After retirement:	Single members: Beneficiary receives balance of unpaid portion of five year guaranteed pension. Married members: 50% of the member's pension is paid to the spouse until death or remarriage and in any event until the youngest child reaches age 21.
Model Pension Calculation:	Based on 35 years of pensionable service [0.75% x 10,560) + (1.5% x 19,440) x 10] + (1.0% x 10,560) + (2.0% , 19,440) x 25] = 3,708.00 + 12,360.00 = $16,068.00
Trustee:	Canada Life Assurance Company
Investment Manager:	Canada Life Assurance Company
Pension Committee: Composition:	Committee members from the Staff & Faculty Association were nominated by their respective association and then appointed by the President of the University.
Responsibility:	to review terms benefits, and administration of the pension plan including employee/employer costs, performance of the fund, and the making of recommendations for changes in the plan when necessary
Status: Unfunded liability:	NIL
Experience Deficiency:	NIL
Fund Performance:	rates of return on investments made by the fund: 1977-78 = 7.737 1978-79 = 8.102 1979-80 = 8.914 1980-81 = 9.691
Actuarial Evaluation:	June 30, 1980
Actuarial Assumptions in the fund projections:	Valuation Interest Rate - 8% Inflation - 5 3/4% Salary Increases - 5 3/4% plus merit 1971 Group Annuitants Mortablity Tables rated down 2 years.
Indexing (Actual):	not available (on 1 July 1981, all those on pension received a 7% increased - reviewed annually).

Portability:	pension credits, that is, the greater of twice member's contributions, plus interest, or the accrued value of the pension are transferable to another registered pension fund but a number of years of service, used to calculate the defined benefit, would probably be lost in the transfer.
Anticipated changes:	Presidential Pension Plan Task Force presently reviewing Plan for possible improvements to be effective July 1, 1982.
Reciprocal Agreements:	Federal Government, Province of Ontario, Ontario Teachers Superannuation, Toronto Western Hospital, Alberta Universities Academic Pension Board, Ontario Council of Regents for Colleges of Applied Arts and Technologh, Hospital for Sick Children, Alberta Public Service Pension Board.

TRENT UNIVERSITY

Type of Plan: defined benefit; final average earnings

Eligibility: all full-time academic and non-academic staff; compulsory from date of appointment.

Member Contributions: 3% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE

University Contributions: amount necessary to adequately fund the plan; currently 134% of member contributions

Benefits:

1) **on Normal Retirement:** (age 65) the annual pension provided by the formula: ((1.0% x avg YMPE) + (2.0% x EX) x YS. ABYE, used in finding EX, calculated over those five years of the last ten years with the highest earnings (avgYMPE = average of 5 most recent YMPE's)

Indexing: as provided by a specified portion of the interest earned on that part of the pension fund which supports payments to retirees

Standard Options: the benefit is normally payable for life, but guaranteed 60 months in any event, although the following options are available:
i) life only
ii) life guaranteed 120 months
iii) joint and last survivorship

2) **On Early Retirement:** (age 55) the annual pension as provided by the formula but based on service and earnings to early retirement and reduced 0.5% for each month early retirement precedes normal retirement.

3) **On Termination:** member's option of (subject to pension laws):
i) a deferred pension payable at normal retirement
ii) transfer of twice member's contributions, plus interest, to registered fund of new employer or to R.R.S.P.
iii) refund of twice member's contributions and interest.

4) **On Death:**

Before Retirement: beneficiary receives member's contributions plus interest as a lump sum, in instalments, or as life annuity.

After retirement: benefit entitlement to beneficiary as determined by guaranteed period of benefit payments.

Model Pension Calculation assuming 35 years of service and average salary of $30,000
(1.0% x $10,560) + (2.0% x $19,440) x 35
= ($105.60 + $388.80) x 35
= $17,304 p.a.

Trustee:	National Trust
Investment Manager:	officials of Sceptre Investments plus members of the University's Investment Advisory Committee
Pension Committee: Composition:	two faculty members, two non-academic staff members, two of Board of Governors and one administration member, appointed by President with approval of Board of Governors.
Responsibility:	responsible for studying, monitoring and making recommendations concerning the university's pension plan.
Status: Unfunded liability:	$365,086 as of 1 july 1979 annual payment of $37,641 will be paid off in 1992.
Experience Deficiency:	NIL
Fund performance:	no information
Actuarial Evaluation Date:	July 1, 1979
Reciprocal Agreements:	Public Service Superannuation, Ontario Secondary School Teacher's Province of Ontario.
Actuarial assumptions in the fund projection:	given the current rate of employee/employer contributions, assumptions made by the actuary in projecting the fund's solvency are: rate of salary increase - 3%, rate of return on investments - 4.5%, rate of increase in YMPE = 3% from $13500 base rate of mortality as in annuity tables for 1951, rated down one year for males, six years for females.
Indexing (actual):	from 1 July 1978, 4.9%
Portability:	pension credits, that is, twice member contributions plus interest, are transferable to another registered pension fund but a number of years of service, used to calculate the defined benefit, would probably be lost in the transfer.
Anticipated changes:	none at present

UNIVERSITY OF WATERLOO

Type of Plan: defined benefit

Eligibility: all full-time academic from day one of employment and non-academic staff; 3 mos. following appointment compulsory from age 35.

Member Contributions: 6.5% of regular earning less CPP contributions.

University Contribution: at least an amount equal to the members' required contributions; currently, 110% aggregate of members' contributions

Benefits:

1) **On Normal Retirement:** (age 65) the annual pension provided by the formula: ((1.3% x avgYMPE of previous 3 years) + (2.0% x EX)) x YS. FAE used in finding EX, is calculated over those five years of the last ten years with the highest earnings.

   Indexing: guaranteed up to 5% if cost of living index warrants but more is possible subject to fund's ability to pay.

   Standard Option: the benefit is normally payable for life, but guaranteed 60 months in any event, although the following options are available:
   i) life only
   ii) life guaranteed 120 months
   iii) joint and last survivorship

2) **On Early Retirement:** (age 55) the annual pension as provided by the formula but based on service and earnings to early retirement and reduced 0.33% for each month early retirement precedes age 65, for the ages 60-65, and 0.5% for each month early retirement precedes age 60.

3) **On Termination:** member's option of (subject to pension laws):
   i) a deferred pension payable at normal retirement
   ii) transfer of twice member's contributions (or actuarial value of accrued pension, if greater), plus interest, to registered pension fund of new employer or to an R.R.S.P.
   iii) refund of members contributions and interest.

4) **On Death:**
   Before retirement: refund of member's required contributions plus interest to the beneficiary

   After retirement: benefit entitlement to beneficiary as determined by guaranteed period of benefit payments.

   Model Pension Calculation: annual pension provided by the formula:
   ((1.3% x 11,733)) x (2.0 x 30,000 - 11,733)) x 35
   = (152.53 x 365.45) x 35
   = $18,125.

Trustee: Canada Trust

Investment Manager: Canada Trust, Mutual Life, Guardian Capital

Pension Committee: Composition: two faculty members selected by Faculty Association for approval by President, 2 Board members appointed by Board, two staff members; Vice-President, Finance and Operations; Comptroller; Director of Personnel

Responsibility: responsible for monitoring the results of the investment management of the fund and for the periodic review of the plan to keep it current with other plans.

Status:

Unfunded liability: no present unfunded liability

Experience Deficiency: no present experience deficiency.

Fund performance:

	Book	Yield on Fund
1975	5.50%	11.96%
1976	5.10%	11.74%
1977	5.55%	9.64%
1978	8.15%	17.12%
1979	14.71%	19.05%
1980	15.49%	23.56%

Actuarial Evaluation Date: December 31, 1979

Actuarial Assumptions in the fund projection: Mortablity 1971 Group Annuitants
Interest - 7%
CPI - 4%

Indexing (actual):

Portability: pension credits, that is, twice member contributions plus interest or actuarial value of accrued pension are transferable to another registered pension fund but a number of years of service, used to calculate the defined benefit, would probably be lost in the transfer depending on new plan benefits and costs.

Anticipated changes:

Reciprocal Agreements: Public Service Superannuation

UNIVERSITY OF WESTERN ONTARIO

Type of Plan: money purchase (minimum guarantee to members who belonged to the old plan as of 01.07.70 and were age 45 as of 01.07.70)

Eligibility: all full-time academic staff; compulsory from date of appointment

Member Contributions: 5.5% of regular earnings

University Contributions: 8.5% of member's regular earnings

Benefits:

1) **On Normal Retirement (age 65)** an annuity purchased by the vested amount in the member's money purchase account. Members subject to the minimum guarantee will receive at least:
(2.0% x ABYE x YS to max. 20 yrs.) + (1.0% x ABYE x YS after 20 yrs. to max. 20 yrs.)
ABYE calculated over the best five years' earnings.

   Indexing: on Ad Hoc basis

   Standard Options: the annuity is normally a fixed life annuity guaranteed 60 months but may optionally be:
i) members not subject to minimum guarantee may elect to purchase a variable life annuity, or an indexed annuity in which benefit amounts are adjusted yearly according to the CPI (max. 3% per annum)
ii) in any event, the type of annuity chosen is payable according to one of the following typical options:
a) life only
b) life guaranteed 120 months - also 180
c) joint and last survivorship

2) **On Early Retirement: (age 55)** the monthly annuity payments are actuarially reduced

3) **On Termination:** member's option of (subject to pension laws):
i) deferred pension payable at normal retirement
ii) transfer of money purchase account to registered pension fund of new employer or to an RRSP
iii) if account less than $5000 may elect a cash refund.

4) **On Death:**
   Before Retirement: beneficiary has option of receiving member's money purchase account as a lump sum, as a life annuity,

   After Retirement: benefit entitlement to beneficiary as determined by the guaranteed period of annuity payments.

Model Pension Calculation:	minimum guaranteed annual pension for only those subject to the minimum guarantee: assuming salary of 30,000 and 35 years service. (2.0% x $30,000 x 20) + (1.0% x $30,000 x 15) = $12,000 + $4,500 = $16,500.00
Trustee:	Canada Trust
Investment Managers:	Guaranteed Account - Manuvest Fixed Income Fund - Manuvest - Black Galper & Heessels Ltd. Equity Fund - Beutel Goodman - Bolton Tremblay Inc.
Pension Committee: Composition:	three members of faculty elected by members of the plan plus Vice-President, Administration and Finance (or his designate) and the Director of Personnel (or his designate)
Responsibility:	full power to administer the University Pension Plan including questions concerning the Plan and to make recommendations concerning the eligibility of any person, to prepare accounts and records showing detailed operation of the Plan and to arrange for the audit of plan records and accounts.
Status: Unfunded Liability:	NIL
Experience Deficiency:	NIL
Fund Performance:	for 12 month period ending December 31, 1980 Guaranteed Fund - 10.6% Fixed Income Fund - 11.6% Equity Fund - 43.4%
Actuarial Evaluation Date:	December 31, 1980
Actuarial Assumptions in the Fund Projection:	that the contribution accounts would accumulate at a net average rate of return of 7% per annum, that salaries would increase at an average annual rate of 5% per annum, and that the accumulated money purchase accounts would be converted to a pension on the basis of annuity factors calculated at 7% interest with mortability according to the Progressive Annuity Table.
Indexing:	NIL

Portability:	Employee and employer contributions plus accrued interest.
Anticipated Changes:	Presidents advisory committee established to study and recommend a formal indexing policy.
Reciprocal Agreements:	Public Service Superannuation.

WILFRID LAURIER UNIVERSITY

Type of Plan: money purchase with minimum guarantee

Eligibility: all full-time academic and non-academic staff; compulsory at age 30.

Member Contributions: 4.5% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE.

University Contributions: approximately 6.63% of member's regular earnings for current service.

Benefits:

1) **On Normal Retirement (age 65)** a variable annuity purchased by the vested amount in the money purchase fund at retirement subject to the minimum guarantee:
(1.75% x ABYE x YS) - (CPP benefit x 1/35 x YS)
ABYE calculated over those five consecutive years of highest earnings.

   Indexing: based on the increase in the cost of living with a maximum of 2%

   Standard Options: the annuity is normally a life annuity but may optionally be:
   i) life guaranteed 60 months
   ii) life guaranteed 120
   iii) joint and last survivorship

2) **on Early Retirement: (age 55)** a variable annuity commencing at early retirement and subject to an actuarially reduced minimum guarantee.

3) **on Termination:** member's option of (subject to pension laws):
   i) deferred pension payable at normal retirement
   ii) transfer of money purchase account to registered pension fund of new employer
   iii) refund of member's contributions and interest if he is less than age 45 and has less than 10 years service.

4) **On Death:**
   Before retirement: beneficiary has option of receiving member's money purchase account as a lump sum or as a life annuity.
   After Retirement: benefit entitlement to beneficiary or estate as determined by guaranteed period annuity payments.

Model Pension Calculation: minimum guaranteed annual pension:
(1.75% x $30,000 x 35) - ($3292 x 1/35 x 35)
= $18,375 - $3,292
= $15,083.

Trustee:	Canada Trust
Investment Manager:	Jarislowsky, Fraser & Co.
Consultant:	Wm. M. Mercer Ltd.
Pension Committee:	
Composition:	Standing Committee of Board of Governors; 1 staff appointed by Staff Association 1 faculty appointed by Faculty Association 6 board members appointed by Board of Governors
Responsibility:	The Pension Committee shall determine all questions arising in the administration of the Plan, including the interpretation and application of the Provisions of the Plan together with eligibility, service, earnings and retirement dates of members for purposes of the Plan. Such decisions of the Pension Committee shall be final and binding on all concerned, subject, when necessary, to referral to the Board of Governors of the University. In addition, the Pension Committee will be responsible for reviewing the performance of the Fund, and for the preparation of recommendations to the Board of Governors of the University concerning proposed changes in the Plan, or in its funding.
Status:	
Unfunded Liability:	NIL
Fund Performance:	rate of return on investment made by the fund 1973-74 = 11.25% 1974-75 = (10 months) = 10.01% 1975-76 = 9.18% 1976-77 = 12.4% 1977-78 = 10.56% 1978-79 = 11.08% 1979-80 = 7.80%
Actuarial Assumptions in the fund projection:	No change
Indexing:	No change
Portability:	Money purchase component is transferable to another registered pension fund.

UNIVERSITY OF WINDSOR

Type of Plan: money purchase with minimum guarantee

Eligibility: all full-time academic staff; compulsory at the later or either the date of appointment or age 25

Member Contributions: 4.2% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE

Univeristy Contributions: an amount equal to the member's required contributions to the money purchase fund plus 1.5% of member's regular earnings to the minimum guarantee fund.

Benefits:

1) **On Normal Retirement:** (age 65) a variable annuity purchased by the vested amount in the money purchase fund at retirement subject to the minimum guarantee:
((1.05% x avgYMPE) + (1.75% x EX)) x YS
ABYE, used in finding EX, calculated over those five years of highest earnings.

   Indexing: maximum 2% per annum

   Standard Options: the annuity is normally a life annuity guaranteed 60 months but may optionally be:
   i) life only
   ii) life guaranteed 120 or 180 months
   iii) joint and last survivorship

2) **Early Retirement:** (age 55) a variable annuity commencing at early retirement and subject to the minimum guarantee and actuarially reduced.

3) **On Termination:** member's option of (subject to pension laws):
   i) deferred pension payable at normal retirement
   ii) transfer of money purchase account to registered pension fund of new employer
   iii) refund of member's contributions and interest

4) **On Death:**
   Before retirement: beneficiary has option of receiving member's money purchase account as a lump sum, as a life annuity, or in instalment payments.

   After Retirement: benefit entitlement to beneficiary as determined by guaranteed period of annuity payments.

   Model Pension Calculation: minimum guaranteed annual pension:
   ((1.05% x $9,300) + 1.75% x $20,700)) x 35
   = (97.65 + 362.25) x 35
   = $16,096.50

Trustee:	Canada Trust
Investment Manager:	Gary Rubacha
Pension Committee: Composition:	two faculty membes, one non-academic staff member appointed by bargaining unit, and six members representing the administration and the Board of Governors appointed by Vice-President, Finance-Administration.
Responsibility:	review plan text, advise faculty Association or emplo6ee groups of day to day operation of plan.
Status: Unfunded Liability:	$713,651 - July 1, 1978 (paid-up July 1, 1992)
Experience Deficiency:	$512,292 - July 1, 1978 (paid-up July 1, 1983)
Fund Performance:	June 30, 1980 - 11.12% - Faculty Plan
Actuarial Evaluation Date:	July 1, 1981 (now in process)
Actuarial Assumptions in Fund Projection:	- mortality - annuity table for 1949. - pension fund will earn interest of 4½% per annum. - salary increases - 2½% per annum and YMPE will increase at the rate of 1% per annum.
Indexing:	2% per year
Portability:	YES
Anticipated Changes:	NIL
Reciprocal Agreements:	NIL

YORK UNIVERSITY

Type of Plan: money purchase with minimum guarantee

Eligibility: all full-time academic and non-academic staff age 25 or over; compulsory at age 30

Member Contributions: 4.5% of regular earnings up to YMPE and 6% of regular earnings in excess of YMPE

University Contributions: at least an amount equal to the member's required contributions; currently, 135% of member contributions

Benefits

1) **On Normal Retirement:** (age 65) a variable annuity purchased by the best amount in the money purchase fund at retirement subject to the minimum guarantee:
((1.125% x avgYMPE) + (1.50% x EX)) x YS
ABYE, used in finding EX, is calculated over those five years of highest earnings since 01.07.60

   Indexing: maximum 2% per annum cumulative

   Standard Options: the annuity is usually a Normal Form of annuity but may optionally be:
   i) life guaranteed 60,120 or 180 months
   ii) joint and last survivorship

2) **On Early Retirement:** (age 55) a variable life annuity, commencing at early retirement, subject to an actuarially reduced minimum guarantee

3) **On Termination:** member's otion of (subject to pension laws);
   i) a deferred annuity payable at normal retirement
   ii) transfer of money purchase account to registered pension fund of new employer or R.R.S.P.
   iii) refund of member contributions and interest.

4) **On Death:**
   Before Retirement:
   i) no spouse or dependents: settlement equal to the balance in the "money purchase" account of the deceased member with credited interest.
   ii) married at least one year: payment to spouse of 50% of member's normal retirement pension plus a monthly payment to each dependent of .0083 of member's annual earnings at death.

   After Retirement: benefit entitlement to beneficiary as determined by guaranteed period of annuity payments, or if no guaranteed period, payment of spouse benefit or lump sum benefit as above.

Model Pension Calculation:	minimum guaranteed annual pension: ((1.125% x 14,700) + 1.50% x 15,300) x 35 = ($165.38 + 229.50) x 35 = $13,820.80
Trustee:	Canada Permanent Trust Co.
Investment Manager:	Canada Permanent Trust Co. Beutel, Goodman Company Ltd. Sceptre Investment Counsel Limited
Pension Committee: Composition:	two faculty members, one non-academic staff member, and six members representing the administration and the Board of Governors.
Responsibility:	transitional period as a result of certification
Status: Unfunded Liability:	no unfunded liability as of 31 December 1979
Fund Performance:	fund rate of interest: June 30, 1972 = +10.4% June 30, 1973 = - 2.935% June 30, 1974 = 3.813% June 30, 1975 = 10.559% June 30, 1976 = 5.542% June 30, 1977 = 7.298% June 30, 1978 = 10.8602% June 30, 1979 = 21,1175% June 30, 1980 = 15.189% June 30, 1981 = n/a
Actuarial Assumptions In the Fund Projection	no information at present
Indexing (actual):	2% per annum
Portability:	money purchase component is transferable to another registered pension fund but the minimum guarantee is effectively sacrificed in the sense that a number of years of service would probably be lost in the transfer.
Problems with the Current Plan:	inadequate rate of indexing against inflation
Anticipated changes:	adequate indexing, formation of committee to review current plan.